

**CHAPTER NO. 390**

**HOUSE BILL NO. 1386**

**By Representatives McKee, Cobb, Crider, Baird, Todd, Kent, Montgomery, Buttry, Roach, DuBois, Hensley, Gresham, Cochran, Davis**

**Substituted for: Senate Bill No. 998**

**By Senators Norris, Fowler**

AN ACT to amend Tennessee Code Annotated, Title 3; Title 33; Title 36; Title 47; Title 56; Title 68 and Title 71, relative to the TennCare program.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is further amended by adding the following language as a new, appropriately designated section:

71-5-195. On January 15, 2004, the TennCare Bureau shall submit a report to the General Assembly outlining the viability of the future of the TennCare program. Such report shall include, but not be limited to:

- (1) Cost savings in the pharmacy program;
- (2) Resolution to legal actions against the program both pending cases and agreed orders;
- (3) Flexibility by the federal government for increased federal funding and programmatic changes to the TennCare program; and
- (4) Recommendations for revisions to Title 56, Chapter 9, relative to rehabilitation and liquidation of managed care organizations participating in the TennCare Program. Such recommendations shall be in consultation and coordination with the department of commerce and insurance.

Should the TennCare Bureau determine that continuing the TennCare program is not a viable option, then the TennCare Bureau shall submit a report outlining an alternative plan or program to replace the TennCare program to provide medical assistance to those recipients determined to be eligible under Title 7, Chapter 5, Part 1, to receive medical assistance that conforms to the requirements of title XIX of the Social Security Act and the regulations promulgated pursuant thereto.

SECTION 2. This act shall take effect July 1, 2003, the public welfare requiring it.

PASSED: May 28, 2003



JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES



JOHN S. WILDER  
SPEAKER OF THE SENATE

APPROVED this 23<sup>rd</sup> day of June 2003



PHIL BREDESEN, GOVERNOR